GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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PORTUGAL - QUOTA SYSTEM FOR COMPLETELY KNOCKED DOWN (CKD) MOTOR VEHICLES

Addendum

The following information has been notified to the secretariat by the Delegation of <u>Portugal</u>.

1. The new legislation (Decre-law 405/84 of 31st December) in force since 1st January 1985, aiming at the reorganization of the automobile sector in Portugal, comprises, among other structural measures, the quota system.

2. In accordance with this legislation the importer can import the amount of this quota either in CKD or in CBU.

3. The value of the quotas for the imports of motor vehicles having a kerb weight up to 2 000 kg, in force in 1985, has been increased by 14,2 per cent.

4. Attached to the present document is the English text of the Government Order No. 664/85 that laid down the quota system in 1985.

5. The table in annex shows the development of total imports of CKD motor vehicles subjected to the quota system.

Due to the new customs tariff and to the new portuguese nomenclature of goods for the external trade statistics in force since January 1st, 1983, the data respecting imports of those CKD motor vehicles in 1983 and 1984 were estimated based on domestic market share.

85-1749

Government Order nº 664/85

In accordance with the provisions contained in article 15 of the Decree-Law nº 405/84, of 31st December, the Government of the Portuguese Republic through the Ministers of Finance and Planning, of Industry and Energy, and of Trade and Tourism, has decided as follows:

Paragraph 1

1. Basic import quotas referred in article 4, nº 1 of that Decree-Law, allowing the imports of 41 000 motor vehicles, shall be applied by makes, and are contained in Annex I.

The percentage referred in article 4, nº 2 of that Decree--Law, meaning the part of the quota completely free of any conditions, is 87 per cent.

2. This quota system shall not be applied to ambulances, fire brigade vehicles and the like and open platform vehicles.

Paragraph 2

1. The import quota referred in article 2, a) of that Decree--Law, is 600 motor vehicles by each make contained in Annex II.

2. The global import quota, referred in article 2, b) of that Decree-Law, attains 340 motor vehicles.

3. The global import quctas referred in article 3 of that Decree-Law, attain 500 and 250, for CEE origin vehicles and EFTA origin vehicles respectively.

Paragraph 3

The value of additional quotas, referred in article 3 of that Decree-Law, is obtained by considering the national added value included in exports, and weighted by the coefficients contained in Annex III.

Paragraph 4

This Government Order is in force during 1985.

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<u>ANNEX I</u>

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BASIC QUOTAS BY MAKES

Thousand escudos

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FIAT	2 3	66	400
RENAULT	L 8	82	500
PEUGEOT	L 6:	17	100
AUSTIN ROVER	L 60	03	800
CITROEN	L 41	82	900
ТОУСТА	L 4:	32	400
FORD	L 3:	34	`100
NISSAN	1	53	700
GENERAL MOTORS	1	53	600
TALBOT	5	52	400
VOLKSWAGEN	50	90	200
BMW	32	21	400
MAZDA	18	88	600
HONDA	17	70	400
MERCEDES	1:	39	600
SUBARU	10)2	500
ALFA-ROMEO	L	+9	400
AUDI	:	39	800
DAIHATSU	2	20	300

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<u>ANNEX II</u>

ALFA-ROMEO AUDI (AUTO UNION) B.M.W. (EAYERISCHE MOTOREN-WERKE) AUSTIN ROVER (ex - B.M.C.) AUSTIN ROVER (ex - LEYLAND) JAGUAR/DAIMLER TALBOT (France) TALBOT (United Kingdom) CITROËN DAIMLER-BENZ FIAT FORD (Germany) FORD (United Kingdom) . GENERAL MOTORS (Germany) GENERAL MOTORS (United Kingdom) PEUGEOT RENAULT SAAB V.W. (VOLKSWAGEN) VOLVO (Holand) VOLVO (Sweeden) VOLVO (Belgium) LANCIA (Italy) AUTOBIANCHI (Italy) NUOVA INNOCENTI (Italy) PORSCHE (Germany)

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<u>ANNEX III</u>

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Exports

Weighing coefficient

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CKD	0,7
CBU and bodies	0,5
Semi-finished components	0,4
Finished components :	
Motors	0,9
Gear boxes	0,9
Other mechanical components	0,8
Electrical components	0,7
Other components	0,5
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DEVELOPMI	INTS OF IMP	ORTS 1	JNDER QUOTA KNOCKED I	SYSTEM FO DOWN (CKD)	DEVELOPMENTS OF IMPORTS UNDER QUOTA SYSTEM FOR MOTOR KNOCKED DOWN (CKD)	VEH)	Ţ	LETELY		
									10 ⁶ escudos	
	1977		1981		1982		1983		2) 1984	
	Imports	а р .	Imports	مۍ	Imports	æ	Imports		Imports	æ
TOTAL IMPORTS	190 648		608 966		753 981		076 668		1134 242	
IMPORTS UNDER QUOTA	4 972 ¹⁾	2,6	8 212 ¹⁾	1,3	9 279 ¹⁾	1,2	13 000 ³⁾	1,4	13 000 ³⁾	1,1
 This amount represents about 90% of total imports of tariff sub-heading 87.02.09 (01). 	t 90% of tota 9 (01).	l impo	-	l vehicle	motor vehícles assembled in Portugal classified under	in Port	ugal classifi	ed und	ler	
 Provisional data Estimates based on domestic market share applied to codes 87.02.210, 87.02.230, 87.02.250 and 87.02.400 	c market share applied to , 87.02.250 and 87.02.400	e appl ind 87.		3	amount of imports under NEMCE (Portuguese ides, in bulk, imports of CKD and CBU.	is unde nports	r NEMCE (Portug of CKD and CBU.	uguese U	NIMEXE)	L/5558/Add.2 Page 7